

MINUTES

FINANCE COMMITTEE MEETING

January 17, 2017

PRESENT: Committee Members: Kline-Luker-Sanchez-Hecker (7:02 p.m.) –
Farren

OTHERS: Finance Director Barron

CALL TO ORDER: 7:00 p.m.

MINUTES:

Commissioner Kline made a MOTION, seconded by Commissioner Farren to approve the minutes of the November 15, 2016 Finance Committee meeting.

MOTION was ADOPTED 4-0.

INVESTMENTS:

Commissioner Kline made a MOTION, seconded by Commissioner Luker to recommend approval to the full Board investments for December, 2016 in the amount of \$4,208,000.00 that was reviewed, approved as presented. It was noted that investment yield rate ranged from 0.90% to 1.30%.

Commissioner Sanchez questioned how the banks are selected to invest in.

Mr. Barron replied he works with an investment broker who provides the banks and rates and then he reviews the funds that can be invested.

Commissioner Farren asked are guidelines used when choosing the banks?

Mr. Barron replied yes, there are three financial ratios the bank needs to pass for the Township to invest in.

Commissioner Luker stepped out of the meeting at 7:04 p.m.

MOTION was ADOPTED 4-0.

TOTAL EXPENDITURES:

The Committee reviewed voucher list for the month of December, 2016.

Commissioner Kline made a MOTION, seconded by Commissioner Farren to recommend approval to the full Board, expenditures, salaries and wages for December, 2016 in the amount of \$3,321,213.11 and \$2,082,258.96, respectively.

Commissioner Sanchez questioned voucher #38229 – Dex Media.

Mr. Barron replied phonebook ads need to be placed for the police department and so a phonebook ad is placed for the Township as well.

Commissioner Sanchez questioned voucher #38512 – KMS Design Group.

Mr. Barron replied that was for the beginning of the redraft and preparation for the basketball court at Crestmont Park.

Commissioner Farren questioned voucher #38184 – Kirkland Printing.

Mr. Barron replied that was for police warning cards.

Commissioner Farren questioned voucher # 38267 – Pennsylvania State University.

Mr. Barron replied that is payment to Penn State who is the facilitator of the licensing process for Township employees to spray pesticides on Township property.

Commissioner Farren clarified that voucher #38514 – Lawn & Golf Supply Co. Inc. – Pesticide for Golf and Athletic Field is supplies for spraying. Is that correct?

Mr. Barron replied that is correct.

MOTION was ADOPTED 4-0.

CLEARING FUND/DEFERRED REVENUE/EXPENSE & PETTY CASH

Commissioner Kline made a MOTION, seconded by Commissioner Farren to recommend approval to the full Board the Clearing Fund activity, Deferred Revenue/Expense activity and Petty Cash balances for the month of December, 2016.

Clearing Fund receipts and disbursements for the month of December, 2016 were \$3,719.16 and (\$3,432.93), respectively.

Deferred Revenue/Expense receipts and disbursements for the month of December, 2016 were \$29,948.00 and (\$13,599.50), respectively.

Petty Cash balances were approved as presented.

MOTION was ADOPTED 4-0.

TRAINING AND CONFERENCE EXPENDITURES:

Commissioner Kline made a MOTION, seconded by Commissioner Sanchez to recommend approval to the full Board the Training and Conference Expenditures activity. Advance and Travel expenditures for the month of December, 2016 totaled \$0.00 and \$839.22, respectively.

YTD Training and Conference Expenditures totaled \$41,688.83.

Commissioner Kline asked was conference expenses under budget?

Mr. Barron replied yes.

MOTION was ADOPTED 4-0.

STATEMENT OF CONDITONS:

The Committee reviewed statement of conditions for various funds.

CONTINGENGY EXPENSE REPORTS:

The Committee reviewed contingency expense reports.

OTHER MATTERS:

Board Action Request – Budget Transfer Authorization:

Commissioner Kline made a MOTION, seconded by Commissioner Farren to authorize a transfer of \$27,139.00 from 2016 Contingency Expense account #01-01-002-5299 to Fire Companies account #01-15-091-5236.

Mr. Barron said actual net collection for 2016 is \$947,139.00 vs. a budget of \$920,000.00; therefore, requiring an authorization to transfer \$27,139.00 from Contingency. Final distribution will be \$1,134.71 to each of the five fire companies.

MOTION was ADOPTED 4-0.

Board Action Request – Funding for Legal Fees:

Commissioner Hecker made a MOTION, seconded by Commissioner Sanchez to appropriate \$50,000 from fund balance for legal fees.

Previous action - August 2016 – appropriated \$100,000 from fund balance for legal fees due to shortage related to Colonade litigation and police arbitration.

Original budget of \$105,000 for legal expenses for 2016 has been exceeded due to unforeseen expenses including police arbitration and litigation for Colonade, land development and Edge Hill Road.

Mr. Barron provided a copy of the 2016 legal expenses in total for review by the committee. Also reviewed by committee were Fourth Quarter payments to Rudolph Clarke, LLC and legal fees for Baederwood and Crown Castle.

Commissioner Luker re-entered the meeting at 7:35 p.m.

Commissioner Kline recused himself from voting on this item.

MOTION was ADOPTED 4-0.

Board Action Request – Budget Transfer Authorization:

Commissioner Kline made a MOTION, seconded by Commissioner Farren to authorize a transfer of \$9,414.00 from 2016 Contingency Expense account #01-01-002-5299 for payment of 511 tax commissions.

Mr. Barron said revenues for tax collection for 2016 exceeded budget and this is payment for commission for Tax Collector and Berkheimer.

MOTION was ADOPTED 5-0.

Discussion – Police Lieutenants’ Contract:

Following discussion, consensus by committee was to mirror the police officer’s contract.

4th Quarter Budget Report as of December 31, 2016:

Mr. Barron provided a copy of an overview comparison of General Fund Operating Revenues for 2013 vs. 2014 vs. 2015 vs. 2016 major budget areas showing collections; comparison of Sewer Fund Operating Revenues for 2013 vs. 2014 vs. 2015 vs. 2016 major budget areas showing collections; comparison of Refuse Fund Operating Revenues for 2013 vs. 2014 vs. 2015 vs. 2016 major budget areas showing collections for review by committee.

Continued Discussion on Bank Selection for Investments:

Commissioner Farren questioned whether there was any issue about certain banks being affiliated with specific organizations that would not be acceptable to the Township.

Commissioner Kline said one issue would be getting reliable information on whether certain banks are worth investing in or are they involved in something that policy-wise would not be acceptable to the Board and what would that general policy be.

Mr. Barron said research could be conducted on various banks.

Discussion on possible future recreation center:

Commissioner Farren said St. John of the Cross Parish in Roslyn that is located on a huge parcel of land where there is a field, parking spaces, building and a basketball court, and there is discussion about it being put on the market. He questioned whether the Township would consider that location for a recreation center.

Mr. Barron said he believes reps of PAL previously looked into that.

Commissioner Kline commented that he would like to see a Township-wide community center, but we need to consider geographically the best location for it.

Mr. Barron noted Montgomery Township has a new recreation/community center located on Horsham Road.

Commissioner Kline suggested Finance Committee would need to consider how the Township would fund it and then take the extra step to look at facilities in other municipalities.

ADJOURNMENT: 8:30 p.m.

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